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DEPT FOR EAP AND EAP/CM
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TAGS: [CH](#) [HK](#) [PGOV](#) [PHUM](#) [PINR](#) [PREL](#)
SUBJECT: BEIJING LEADERS, YET AGAIN, REAFFIRM SUPPORT FOR
DONALD TSANG

REF: A. HONG KONG 5634
[1](#)B. HONG KONG 686

Classified By: E/P Chief Simon Schuchat. Reasons: 1.4(b,d).

[1](#)1. (C) Summary: On March 6, Chief Executive (CE) Donald Tsang concluded a five-day trip to Beijing to attend the fourth session of the 10th National People's Congress (NPC) in Beijing -- his first time as CE. In recent weeks, Tsang has been dogged by speculation, prompted by dissatisfaction among Hong Kong's traditional, or "patriotic" leftists, that he had lost the backing of mainland leaders. However, after senior leaders praised his performance, Tsang has been able, at least for the moment, to quash these rumors and return to Hong Kong with Beijing's full support. In addition to attending the NPC, Tsang met with officials from several provinces and discussed the expansion of the individual traveler scheme, closer integration of the Greater Pearl River Delta, and the further liberalization of renminbi business in Hong Kong. End Summary.

Tsang's First Trip to NPC as Chief Executive

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[1](#)2. (SBU) On March 6, Chief Executive (CE) Donald Tsang concluded a five-day trip to Beijing to attend the fourth session of the 10th National People's Congress (NPC) in Beijing -- his first time as CE. In recent weeks, Tsang has been dogged by speculation that he had lost the backing of Hong Kong's traditional leftists, as well as mainland leaders. However, after numerous state ministers and senior leaders praised his performance, Tsang has been able, at least for the moment, to quash these rumors and return to Hong Kong with Beijing's full support.

Anti-Tsang Campaign Quashed, At Least For Now

[1](#)3. (C) Prior to his departure for Beijing, Tsang was repeatedly questioned about why he was not scheduled to meet with senior officials. During a press conference on March 2, Tsang pointed out that he had recently met with President Hu

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Jintao and Premier Wen Jiabao during a duty call last December (ref a) and that he wanted to focus on "practical matters, matters of economic and social interest to Hong Kong." Despite this explanation, the Hong Kong media published reports, probably emanating from Hong Kong's "patriotic leftists," that Beijing had lost confidence in the CE (ref b). In response, Albert Cheng, independent democrat and former radio talk show host, alleged that the pro-Beijing

party, the Democratic Alliance for the Betterment and Alliance of Hong Kong (DAB), was spearheading an "anti-Donald Tsang" campaign. DAB Chairman Ma Lik countered that Cheng

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was trying to drive a wedge between the CE and the "patriotic" camp.

What's Their Beef?

14. (C) Shortly before the NPC began, we met with a Hong Kong NPC delegate, who explained that the traditional pro-Beijing forces were enraged at the CE over the appointment of Lau Sai-leung to the Central Policy Unit, and Andy Ho as the CE's Information Coordinator. Both of these people had been very outspoken and critical of prominent members of the "patriotic left," by name; the leftists thus saw these appointments as a provocation. If the CE simply wanted someone from the democratic side, he could have found someone who was not as hostile. Lau, a former Executive Editor of Jimmy Lai's "Next Magazine," was a constant critic of C.H. Tung, and blamed everything Tung did on leftist influence. Of course, our NPC contact continued, the Central Policy Unit has a representative from the liberal or democratic side, but Lau had personally attacked the CPU's resident leftist, Tsang Tak-hsing (brother of senior DAB Exco member Jasper Tsang). As for Andy Ho, he has been gone from Hong Kong for seven years, in Australia, so what was the need to bring him back? Neither position requires Beijing's approval, unlike bureau Secretarial appointments, so there was no way to stop them.

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"Practical" and Image-enhancing Discussions in Beijing

15. (SBU) By the end of Tsang's visit to Beijing, mainland leaders had reaffirmed their support for the CE and had effectively dispelled any rumors about an "anti-Tsang" campaign. On March 5, Tsang briefly met with President Hu Jintao and Premier Wen Jiabao who, according to Tsang, "made

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various encouraging remarks to me." On March 6, Tsang revealed that he had met with Vice President Zeng Qinghong for over an hour on March 2 and with Hong Kong and Macau Affairs Office (HKMAO) Director Liao Hui the following day. Summarizing his meeting with the two leaders, Tsang told the media, "they are highly encouraging as regards the leadership of Hong Kong, comprising the CE, the principal officials and the SAR Government." On top of his sessions with Zeng and Liao, Tsang also received a chorus of praise from the numerous other mainland leaders that he met with during his trip. National Development and Reform Commission Minister Ma Kai commended Tsang on a job well done; Minister of Commerce Bo Xilai praised Tsang's style of governance as meticulous, systematic, and effective.

16. (C) Veteran China watcher Ding Wang told poloffs on March 7, that Tsang's meeting with Zeng and Liao were appropriate and not likely to be in response to the media speculation about an anti-Tsang campaign. Ding noted that Zeng is the head of the working group on Hong Kong policy. As for Liao Hui, as head of HKMAO, it would be more surprising for him not to meet with Tsang. According to Ding, Tsang and Liao have a close relationship, partly because Liao is the most senior official in Beijing fluent in Cantonese and thus able to communicate easily with Tsang. Ding believes that Liao was crucial in Tsang's promotion to CE.

17. (C) Tsang told reporters that he had not discussed the "anti-Tsang" campaign with mainland leaders but had focused on practical issues. Tsang met with party secretaries and governors of the provinces of Guizhou, Guangdong, Jiangxi, Guangxi, Hunan and Nanchang city to discuss the expansion of

the individual traveler scheme. He also discussed closer integration of the Greater Pearl River Delta. On his last day in Beijing, Tsang discussed the further liberalization of renminbi business in Hong Kong -- an important area for Hong Kong's financial sector, which seeks to become an offshore renminbi center -- with People's Bank of China Governor Zhou Xiaochu. Asked whether he had raised the detention of "Straits Times" journalist Ching Cheong during a meeting with the Public Security Ministry, Tsang replied that Ching's case was not under the purview of the Public Security Ministry. (Note: It was not clear whether Tsang meant that, having been charged, Ching's case was now the responsibility of the courts, or if he meant that Ching's alleged "espionage" was the responsibility of the Ministry of State Security. End note.) He reassured the journalists, however, that he had "been working on this subject all along," without offering any additional details.

CPPCC Delegates Urged to Speak Out

18. (SBU) Separately, Chinese People's Political Consultative Conference (CPPCC) Chairman Jia Qinglin told Hong Kong delegates to the CPPCC on March 6, that the central government fully supported both CEs and the governments of Hong Kong and Macau. Jia called on CPPCC members to play a more active role in the "social and political realms in Hong Kong and Macau...They can take the initiative to contribute their views and advice on the internal affairs of the SARs as well as their governance."

Ma Lik, DAB Chairman and NPC deputy, responded positively to Jia's remarks. However, Democratic Party Chairman Lee Wing-tat said, "it will give people a feeling that they (CPPCC delegates) are speaking on behalf of the central government. Hong Kong has a high degree of autonomy under the Basic Law and it will be crossing the line under Mr. Jia's suggestions." Cunningham